

## MINUTES ADOPTED BY CITY COUNCIL

Greenville, NC  
August 9, 2004

The Greenville City Council met in a regular meeting on the above date at 6:00 PM in the City Council Chambers, third floor of the Municipal Building, with Mayor Robert D. Parrott presiding. The meeting was called to order, followed by the invocation by Council Member Council, and the pledge of allegiance to the flag. The following were present.

Mayor Robert D. Parrott  
Mayor Pro-Tem Ric Miller  
Council Member Mildred A. Council  
Council Member Ray Craft  
Council Member Pat Dunn  
Council Member Rose H. Glover  
Council Member Chip Little  
Marvin W. Davis, City Manager  
Wanda T. Elks, City Clerk  
David A. Holec, City Attorney

### APPROVAL OF AGENDA

City Manager Davis requested that the consideration of the ordinance establishing a “No Parking” zone on the north side of East Twelfth Street from Charles Street eastward to Lawrence Street be removed from the agenda and placed on the September agenda.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Council to approve the agenda as amended at the request of the City Manager. Motion carried unanimously.

### APPROVAL OF CONSENT AGENDA - APPROVED

Motion was made by Council Member Glover and seconded by Council Member Council to approve all the items under the consent agenda as listed below. Motion carried unanimously.

- (1) Minutes of the May 24, June 7 and June 10, 2004 City Council Meetings
- (2) Consideration of various tax refunds

<u>Name</u>	<u>Reason</u>	<u>Amount</u>
Blount Development Co.	Incorrect number of acres charged. (2002, 2001, 2000, 1999)	\$908.70
Willie Isaac Anderson, Jr.	Vehicle charged in city limits in error.	\$132.52
USB Leasing Lt.	Prorate taxes on vehicle	\$193.61
Honda Lease Trust	Prorate taxes on vehicle	\$148.23

- (3) Ordinance establishing a subdivision wide speed limit of 25 MPH for White Hollow Drive, Tiffany Drive, Wellons Drive, and Buxton Road in the Heritage Village Neighborhood (Ordinance No. 04-82)
- (4) Ordinance establishing a 25 MPH speed limit on Stuart Circle, Shiloh Drive, Caldwell Court, Mosby Circle, Alice Drive, Bragg Court, and Tobacco Road in the Shenandoah Neighborhood (Ordinance No. 04-83)
- (5) Encroachment agreement from Cobblestone Development for irrigation, signage, and landscaping in a traffic island at the subdivision entrance and associated private utilities lines within the right-of-way of Cobblestone Drive (Contract No. 1342)
- (6) Encroachment agreement from Carawan Oil Company to construct three (3) monitoring wells in the Moye Boulevard right-of-way (Contract No. 1343)
- (7) Encroachment agreement from Uptown Properties to construct a canopy overhang into the right-of-way at 409 Evans Street and a canopy overhang over the City's Moseley Parking Lot (Contract No. 1344)
- (8) Resolutions authorizing abandonment of utility easements and execution of deeds of release at the following locations:
  - (a) Allen Road - formerly Rockport Subdivision (Resolution No. 04-28)
  - (b) Rivergate Shopping Center, Lots 1 and 2 (Resolution Nos. 04-29 and 04-30)
  - (c) Colonial Mall - Belks addition (Resolution Nos. 04-31 and 04-32)
- (9) Offer from Paul Evans for a gift of property on Hooker Road
- (10) First reading of an ordinance rescinding a limousine franchise and granting a taxicab franchise for Stacey Ann Anderson d/b/a Faith Taxicab Service

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AN ORDINANCE RESCINDING A LIMOUSINE FRANCHISE AND  
GRANTING A TAXICAB FRANCHISE  
TO STACEY ANDERSON D/B/A FAITH TAXICAB SERVICE

WHEREAS, the City of Greenville is authorized by G.S. 160A-304 to license and regulate all vehicles operated for hire within the City of Greenville; and

WHEREAS, the City of Greenville has adopted an ordinance, Chapter 1 of Title 11 of Chapter 11 of the Greenville City Code, requiring the operators of taxicab businesses within the City to obtain a franchise from the City permitting said operation, and said ordinance sets forth certain requirements and criteria that must be satisfied in order to obtain and maintain the franchise for the operation of a taxicab business; and

WHEREAS, Stacey Ann Anderson d/b/a Goodness and Grace has requested that the franchise permitting the operation of one limousine that was granted to her on June 10, 2004 by Ordinance No. 04-69 be rescinded; and

WHEREAS, Stacey Anderson d/b/a Faith Taxicab Service is now an applicant for a franchise permitting the operation of one taxicab within the City limits; and

WHEREAS, following investigation into the qualifications of the applicant, the City Council has determined that the applicant satisfies the requirements and conditions for the operation of a taxicab business within the City and has presented evidence substantiating the public convenience and necessity of such a business;

NOW, THEREFORE, BE IT ORDAINED by the Greenville City Council that:

Section 1. A taxicab franchise is hereby issued to Stacey Anderson d/b/a Faith Taxicab Service to permit the operation within the City of Greenville of one taxicab.

Section 2. The limousine franchise granted to Stacey Ann Anderson d/b/a Goodness and Grace on June 10, 2004, is hereby rescinded.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 4. Any part or provision of this ordinance found by a court of competent jurisdiction to be in violation of the Constitution or laws of the United States or North Carolina is hereby deemed severable and shall not affect the validity of the remaining provisions of the ordinance.

Section 5. This ordinance shall become effective immediately upon its adoption.

First reading passed on this the 9th day of August, 2004.

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- (12) First reading of an ordinance for a taxicab franchise for C. A. Sampson d/b/a/ Comfort Cab Service

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# AN ORDINANCE GRANTING A TAXICAB FRANCHISE TO C. A. SAMPSON D/B/A COMFORT CAB SERVICE

WHEREAS, the City of Greenville is authorized by G.S. 160A-304 to license and regulate all vehicles operated for hire within the City of Greenville; and

WHEREAS, Calvin Sampson d/b/a Comfort Cab Service was granted a taxicab franchise by City Council on May 13, 2004 by Ordinance No. 04-46; and

WHEREAS, Chapter 1 of Title 11 of the Greenville City Code requires the operators of taxicab businesses within the City to obtain a franchise from the City permitting said operation, and said ordinance sets forth certain requirements and criteria that must be satisfied in order to obtain and maintain the franchise for the operation of a taxicab business; and

WHEREAS, Section 11-1-40 of said City Code states that an applicant shall begin operations within sixty (60) days after the date of such certificate or the certificate shall become null and void; and

WHEREAS, Calvin Sampson failed to begin operation of the taxicab service on or before July 13, nullifying his certificate of convenience and necessity; and

WHEREAS, the applicant has reapplied for the franchise with the intention to begin operation within 60 days; and

WHEREAS, the applicant desires to obtain the franchise under the name of C. A. Sampson d/b/a Comfort Cab Service;

NOW, THEREFORE, BE IT ORDAINED by the Greenville City Council that:

Section 1. A taxicab franchise is hereby issued to C. A. Sampson d/b/a Comfort Cab Service to permit the operation within the City of Greenville of two taxicabs.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. Any part or provision of this ordinance found by a court of competent jurisdiction to be in violation of the Constitution or laws of the United States or North Carolina is hereby deemed severable and shall not affect the validity of the remaining provisions of the ordinance.

Section 4. This ordinance shall become effective immediately upon its adoption.

First reading passed on this the 9th day of August, 2004.

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## BOARDS AND COMMISSIONS PRESENTATIONS

### Affordable Housing Loan Committee

Mr. Evan Lewis, Vice-Chairman of the Affordable Housing Loan Committee, gave a brief overview of the Committee's production for this year and the down payment programs that are offered by the City to the Greenville residents--the Affordable Housing Bond 2% No Interest Loan Program, Home Down Payment Assistance Program, and North Carolina Housing Finance Agency 20% Deferred Loan Program. In the last year, the City received 384 inquiries for down payment assistance and 100 started the application process. Of those, 13 applications were completed and reviewed by the Committee; 6 were approved for assistance; 2 withdrew from consideration; and 5 were deemed ineligible for assistance. The six approved applications from this year along with the seven approved applications from last year that were closed this year yielded a total loan amount of \$152,516. Mr. Lewis thanked the City Council for allowing the

Committee to help the City provide assistance to people just getting on their feet into a first home.

Mr. Lewis stated that the Committee also worked with the City to assist with the Elderly Rehabilitation Program, which is for people on fixed incomes who live in less than habitable housing. The program assists the elderly to repair their homes and to bring their homes up to standard. During the past year the City received five inquiries for this type of assistance. Four applications were completed and reviewed by the Committee; three were approved for assistance for a total loan amount of \$43,000. Mr. Lewis thanked the City Council for the opportunity to help elderly people who have been here a long time and have given a lot of their lives to Greenville and to make sure that they live their sunset years in safe, decent and sanitary housing.

Mr. Lewis stated that the Committee also reviewed grant applications from local nonprofits requesting funding from the Community Development Block Grant (CDBG) Program. Four agencies were approved to receive funding this year including the Greenville Community Shelter, Habitat for Humanity, New Directions, and Take It To The Streets with a combined grant amount of \$97,900. At the September 11, 2000 City Council meeting, the Council amended the Community Development Block Grant Program for the City for an allocation of \$43,500 to the Affordable Housing and Community Development Corporation to provide homeownership, education and counseling services to assist with efforts to increase homeownership within the 45-Block rehabilitation area. Today under all of these programs since they have been adopted, the City has provided \$1,477,826 in grants and loans for down payment assistance, elderly, rehabilitation loans and nonprofit funding.

Mr. Lewis thanked the City for the opportunity to help neighbors who have been impacted by natural disasters. This year the Committee approved sales prices of five properties not eligible for FEMA buyout for purchase with CDBG funds totaling \$23,200. To date, 32 properties have been purchased for a total of \$470,681.37. Twenty-one homes have been closed in Countryside Estates this past year bringing a total of 58 sales within the subdivision. Of the 58 sales, 22 have been Hurricane Floyd survivors. As of December 31, 2003, all Hurricane Floyd buyouts and relocations have been completed.

Mr. Lewis concluded by stating that the Affordable Housing Loan Committee approved sales prices of 8 properties within the 45-Block redevelopment area of which seven have been purchased this year for a total of \$268,714.26.

#### Environmental Advisory Commission

Mr. Ulrich Alsentzer, Chairman of the Environmental Advisory Commission, stated that the Environmental Advisory Commission is an eight-person group of Greenville citizens that has the responsibility of "...inventory and review, on a continuing basis, the condition of and threats to the environmental resources of the City; and as technical advisors, to report all needs for improvement and corrective actions to the City Council." He presented the following report to the City Council.

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This years report to City Council and the citizens of Greenville has four sections:

1. Past projects and accomplishments
2. Ongoing projects
3. Goals and objectives for the current fiscal year
4. Requests for support from City Council

FY 2003/2004: Projects and Accomplishments

Four projects were concluded this past year:

1. The Flood Damage Prevention Ordinance was amended and approved by City Council in December 2003. This ordinance regulates the storage of hazardous materials in the (100 year) floodplain. After waiting for respective rules by the state and a revised determination of the area of the (100 year) floodplain, EAC worked with City staff to develop an amendment to the existing Flood Damage Prevention Ordinance to address requirements for the new Flood Insurance Rate Maps and further regulate storage of hazardous materials within regulated floodplains. The amended ordinance became effective January 2004.
2. The “Storm Water Management Program” and “Storm Water Management and Control Ordinance” are pending approval from the State’s Division of Water Quality and Environmental Management Commission. After the recent set of hurricanes it became clear, that the City needed an updated Storm Water Management Program, and the Storm Water Advisory Committee was created. EAC reviewed the recommendations of the Storm Water Advisory Committee for the development of Greenville’s Storm Water Management Program and Storm Water Management and Control Ordinance to comply with federal and state mandates established through the NPDES (National Pollutant Discharge Elimination System) Phase II Rules and the State’s Tar-Pamlico Rules. The Environmental Management Commission and City Council will be considering the program and ordinance in September.
3. The Bird Sanctuary Ordinance was adopted by the City Council in February 2004. The Commission initiated and worked closely with City staff in the development of a Bird Sanctuary Ordinance establishing Greenville as a bird sanctuary. Signs at the major entrances to the City identifying the City as a Bird Sanctuary were installed last spring. (Total cost: less than \$500.)
4. The Greenway Master Plan Update was completed and City Council adopted it in April 2004. EAC along with the Greenways Committee (a subcommittee of EAC) worked with City staff and Greenways Incorporated to update the Greenways Masterplan. The original plan had been adopted by City Council back in 1991. The City of Greenville and the Greenville Urban Area Metropolitan Planning Organization jointly funded this project. The project involved extensive coordination with staff from Public Works, Planning & Community Development, and Recreation & Parks Departments as well as a number of public meetings.

Phase II of the Green-Mill-Run Greenway was completed in late fall of 2003. The Greenway Committee was instrumental in bringing to reality Phase II of the Green-Mill-Run Greenway, which extends from Fourteenth Street at Elm Street Park to Charles Boulevard at Ficklen Drive. This involved close coordination with East Carolina University as much of this stretch traverses university property

#### FY 2003/2004 – 2004/2005 Ongoing Projects

1. Environmental Award Program. The Commission began working with City staff on the development of a program to recognize the environmental efforts of individuals, civic groups and businesses within the City of Greenville. The goal is to have this program commence in 2005.
2. Tree Preservation. The Commission (EAC) continues its effort to protect one of the most valuable resources of the City — its trees. An amendment to the existing publicly-owned land covering Tree Ordinance aimed to include private-land developments is considered. The process requires the City Council to ask the State Legislature for Enabling Legislation. Already the Commission has sponsored a Tree Preservation Forum this past Feb.24.04 at Sheppard Memorial Library, which was well attended by citizens.

#### Goals & Objectives for FY 2004/2005

The commission's has so far identified 3, others will be identified out of a current needs-assessment process.

1. Environmental Awards. EAC will work with City Staff to complete the development of an Environmental Award Program as described earlier.
2. Tree Preservation. EAC will continue public education and "stake-holder meetings" as to the value trees represent and discuss how these scientifically-recognized benefits should become a basis for an amendment to the existing Tree Ordinance to include a tree-preservation-section for privately-developed lands. The public and especially City Council members are encouraged to attend these meetings. Prior to asking City Council for action (requesting "Enabling Legislation" from the state legislature), EAC, together with City staff, will develop sample-language for said amendment to better address clear-cutting in new developments and the preservation of specimen trees.
3. The third goal concerns the Greenways. EAC will work with the Greenways Committee to develop support for continued improvements of our Greenways System, specifically promoting the creation of a "Friends of the Greenways" (FROGS) organization, which can possibly be patterned after the Friends of Sheppard Memorial Library.

Continued Support and Assistance by City Council is required to ensure the well being of the City as it depends on a healthy natural-environment

During this coming year

- EAC, on behalf of the quality of life for present and future generations, which is so-much dependent on healthy environments and pleasant surroundings asks City Council to pursue “Enabling Legislation” to allow Greenville to regulate the extend of tree cutting in private-land developments and the preservation of “Specimen Trees”
- It further seeks City Council’s support in managing development in environmentally sensitive areas wisely with an eye of our responsibilities for future generations.

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A special Thank You goes to the staff and leadership of the Public Works Department for their assistance and willingness to share their expertise with the Committee.

### Housing Authority

Mr. Cordell Avery, Chairman of the Greenville Housing Authority, stated that it has been a difficult two years in the Greenville Housing Authority since evidence of mismanagement started to surface. Over that period of time, the Department of Housing and Urban Development (HUD) came in and started investigating management procedures at the Housing Authority. It eventually resulted in the resignation of the Executive Director. The Section 8 Program received a 2003 score of 60%, which is failing. On the public housing side, the Greenville Housing Authority was placed under corrective action, which is one step away from being taken over and designated as a troubled housing authority. To compound the problem, the Assistant Executive Director was deployed by the military, leaving a non-trained staff to manage the Housing Authority. It then became a joint effort between the staff and Commissioners to bring the agency back to something that this City could be proud of and to emerge from corrective action. On August 18, 2003 Mr. Don Rogers, Executive Director, joined the Housing Authority. Since Mr. Rogers has been with the Greenville Housing Authority, the Section 8 Program for 2004 received a score of 100% and was designated as high performer. On the public housing side, many of the public housing assessment exceptions have been cleared by HUD. The Housing Authority has received a score of 88% and standard performer, just two points away from being high performer. He thinks that they are going to be a high performer next year. The following accomplishments of the Greenville Housing Authority were summarized.

- Public housing management exceptions were cleared by HUD.
- New Director for facilities and services was hired.
- Entered into a contract with a CPA to be their fee accountant to oversee the Finance Department.
- The Board has approved a project base assistance program for the disabled, which will allow the Authority to provide housing for the disabled.
- Applied for grant money for Section 8 Family Self-Efficiency Coordinator.
- New architect was hired.
- Updated their procurement procedures to be in line with HUD and that was one of the main reasons that the Greenville Housing Authority was placed under corrective action. There were no set policies or procedures in place for procurement of goods and services.
- Procurement Officer was hired.



- Established policies and procedures for better efficiency and customer service.
- Conducted Board training sessions.
- Completed the reconstruction of the Meadowbrook community. Those units are being leased presently.
- Worked with the City in amending their public housing preference guidelines to include credit for government displacement in the ranking system for those eligible for public housing.
- Initiated elections in all of their communities for resident council membership and for community officers. Elections were not held during the eleven years of the previous administration.
- The board has also adopted rules and procedures and policies to ensure proper decorum and that all speakers, guests and volunteers are treated with the respect that they deserve. Those rules will be enforced strictly.

Mr. Avery stated that they are particularly excited because last week HUD lifted the corrective action order, and the Greenville Housing Authority is now fully independent of HUD's supervision. They are happy about it and are going to make sure that trust that HUD placed in them by lifting that order is not misplaced. In the last 18 months, they have come through as a stronger; more focused and disciplined housing authority. Their focus is and should be the best interest of the residents that they serve and 714 public housing units, 652 Section 8 units, and 60 units for the elderly and University Towers. They look forward to working with the City in any way they can to ensure that all citizens have a safe and decent place to live.

#### Planning and Zoning Commission

Mr. Jay Yates, Chairman of the Planning and Zoning Commission, summarized some of the highlights of the Planning and Zoning Commission.

- Received requests for 33 preliminary subdivision plats. With that over 2,000 acres of both residential and nonresidential land have been approved.
- 40 cases of rezoning, both residential and nonresidential and in that 875 acres have been rezoned.
- 17 changes in the text including special use permits, sign regulations, etc.
- 2 projects including Land Use Intensity (LUI) for dormitory style construction, i.e. River Point Village North (located north of Hastings Ford) and University Suites (located north of Lakewood Pines). Those two projects have totaled 992 new bedrooms.
- Special plans including The Horizons Comprehensive Plan and Land Use Plan Map Update.

Mr. Yates stated that the Commission is going to try to do some planning by working with Senior Planner Neil Holthouser to see if they can make recommendations for changes regarding the Comprehensive Plan to the City Council before things get out of hand.

#### Police Community Relations Committee

Ms. Regina Wallace, Chairman of the Police Community Relations Committee, stated that the Committee was established by the City Council in 1996. The Committee was formed for the purpose of acting as a liaison between the community at large and the police over concerns;

serving as an advocate for the programs, ideas, and methods to improve relationships between the community and the police; and disseminating information to the community and the City with regard to the state of relations between the community and the police. In order to fulfill their function, the Committee has continued with the approach of conducting meetings at different locations throughout the City. This is done so that meetings are more accessible to members of the public. A total of ten meetings are held during the year and the meetings are rotated monthly according to voting districts. Each year the Committee holds two meetings in each district. The Committee has already been in every district this year. On August 11, the Committee will start their rotation again with District 2. The meetings give the public an opportunity to interact with the Greenville Police Department and address questions and concerns. Generally, attendance has been good and productive exchanges of information always occur. For example, during the past year, Chief Simonowich has brought in various members of his staff to provide presentations on the work of the Drug Task Force, identity, financial fraud and neighborhood services. During the meetings, a report on Police Department efforts and activities in the district is given. The public is given an opportunity to express any concerns. These concerns range from issues involving traffic problems to drug activities. Chief Simonowich is present to respond to any concerns expressed during the meetings. He also provides a follow-up report at the next meeting related to any steps taken to address the concerns raised. If the information is not immediately available to provide a response, Chief Simonowich will obtain an answer and contact the citizen with an answer and then provide the feedback at the next meeting. The Committee has had good public participation in this process.

Ms. Wallace stated that another endeavor of the Committee has been an active support of Citizens Police Academy. This is a fantastic program, which provides a better understanding to citizens of the responsibilities of the Police Department. Most of the members of the Committee are graduates of the Academy and can attest to the benefits of the Academy. The Police Community Relations Committee has had a very successful year in fulfilling their duties. On behalf of the Committee, Ms. Wallace expressed their appreciation to the City Council for allowing them to serve the community.

#### DOCUMENTS RELATED TO THE CERTIFICATES OF PARTICIPATION (COPS) – ADOPTED OR APPROVED

City Manager Marvin Davis stated that these are very extensive projects that have been worked on by the City Council for a long period of time. Tonight there will be several votes and approvals on financing, construction contracts and the project budget ordinances. Updates will be given on how all of this fits together with the Local Government Commission and the bond rating agencies. This is a favorable time to consider these projects for a number of reasons. Because of favorable interest rates, they have seen a rise in construction prices. However, they feel they have very good value of construction for what they are receiving. Some of these projects have been on the books a number of years and this is their time of maturity. Some of the projects have been in planning stages for 14 years. The projects that will be mentioned quickly are the ones that are related under Certificates of Participations (COPS) including the Fire Station #6 and Limited Training Facilities, Municipal Facilities, Carver Library Expansion, and Recreation Projects (Red Oak, Guy Smith Stadium, and Greenfield Terrace Park Community Building).

Updates on presentations with the Local Government Commission

City Manager Davis stated that the Local Government Commission in North Carolina approves all debt for all units of local government. Every time they have met with them, there have been favorable results from them on what is being done. The Local Government Commission knows the planned course that is being taken and they know that there are resources to pay back this borrowing. Staff has also had extensive documents reviewed and the Local Government Commission has been involved in these documents as well. They have met with the Local Government Commission in Raleigh and have had conference calls with them and with others in the financing team including the underwriters, bond counsel, counsel for the underwriters, financial advisors, as well as Staff.

City Manager Davis stated that the term that is being proposed for this financing is a 20-year term. Because these are Certificates of Participation normally a deed of trust is taken out for this borrowing. They are able to successfully negotiate this time with their underwriters so that the deed of trust only applies to the municipal facilities, and not the other facilities which would free these up for any kind of future pledge of value of property in the future of the City, if that needs to happen. This approval tonight is not the final approval. The Local Government Commission has the final approval and after they finally approve, then bonds will be sold. There is a two-week limitation that after the Local Government Commission's approval, bonds cannot be sold any earlier than two weeks after that. The Local Government Commission approval is anticipated in early September. It is at an all-time low for interest rates in the bond market. In discussing this with the underwriters and financial advisors, they say that this is a 35-year low for interest rates. The projected interest rates at this moment and time is a range because they will not know the exact interest rates until they sell. That projected interest rate is between 4.8% and 5.5%.

City Manager Davis stated that a summary of the amount to be financed for each project is outlined in his August 2, 2004 memorandum to the City Council regarding Certificates of Participation and is as follows:

Project	Amount Financed	Other Revenues	Total Project Costs
Fire Station #6 and Limited Training Facilities	\$ 2,881,358	\$ 34,000 (donation) 150,000 (interest on COPS)	\$ 3,065,358
Municipal Facilities	11,148,942		11,148,942
Carver Library Expansion	1,194,700	-----	1,194,700
3 Recreation Projects	1,175,000	250,000 (PARTF)	1,425,000

With the Recreation projects, there is a \$250,000 Parks & Recreation Trust Fund (PARTF) grant. This is an example of how the City is able to take this borrowing at this good time and leverage it for grant approval. Through the construction process, they have negotiated with the lowest bidder and reduced some of the bid and construction prices that have come in. Additionally, they have worked with their financing package so that the City can finance the total cost. The staff

and Local Government Commission, and all of the underwriters' teams feel good about what is being offered and proposed.

Consideration of a resolution approving the sale of Certificates of Participation, installment payments to be made, and certain other related documents and actions

City Manager Davis stated that the first item before the City Council for consideration is a resolution approving the sale by Greenville Progress and Improvement Corporation of Certificates of Participation in certain installment payments to be made by the City of Greenville, North Carolina, approving a proposed installment financing agreement to finance certain public improvements, approving certain other documents and actions relating thereto and authorizing other official action in connection therewith. Inside the resolution there are four or five documents that the City Council would consider to be in "substantial form". Those documents are the Contract of Purchase, Installment Financing Agreement, Trust Agreement, Deed of Trust, and the Preliminary Official Statement. The Official Statement will be given to prospective people who will buy the bonds. The Official Statement informs them about the nature of the projects and the nature of the city and our economic area.

City Attorney Holec stated that the way the financing works with Certificates of Participation is it involves a nonprofit corporation, which was actually created when they did the last COPS financing where they actually issued the certificates. Then, there are certain contractual arrangements whereby that money comes to the City for reimbursement of expenses, which were done on the projects and the City makes the payment back to a trustee. In return, that trustee pays back those investors who have bought the certificates. There are several parties that are involved with the transactions. The legal agreements were summarized by City Attorney Holec as follows:

Contract of Purchase is the agreement where the underwriters for this issuance agree to purchase the certificates from Greenville Progress and Improvement Corporation. The nonprofit that is going to issue the certificates will make a public offering of the certificates. There are provisions in there as to what certain representation that the City makes, what certain representation that the nonprofits makes, and what the obligations are of the underwriters in making that public offering.

Installment Financing Agreement is the agreement between the City and the nonprofit providing that the City agrees that it will use the proceeds of the certificates for the identified projects. The City also agrees that it will make installment payments to pay back those monies to the nonprofit. It is acknowledged in this agreement that there is another agreement that actually accomplishes this and that the right to payment would be assigned to a trustee. The nonprofit is actually going to issue it and have the obligation that the City is going to make the payments to the nonprofit; but, in turn is going to assign those rights to the trustee.

Trust Agreement is an agreement between the nonprofit, Greenville Progress and Improvement Corporation, and the Bank of New York as a trustee. There is an additional local trustee. This document sets forth the obligations of the trustee to disperse the monies to the City upon a request for project costs reimbursement and where the trustee receives the debt payments from the City. This is the document where the nonprofit assigns its rights to payments. The trustee is

also obligated when it gets the debt payments from the City to in turn make the payments to the investors.

The Deed of Trust is where the City grants a security interest to the nonprofit to secure the payment back to the nonprofit, which again has already been assigned to the trustee to secure that payment. What is envisioned to occur is that security will be the administrative facilities.

Preliminary Official Statement is the statement that is used to inform the prospective certificates purchasers about the certificates including what the terms are, what projects are being financed, and to give information as to the City. It is important as to who is behind that obligation to make the payment back. They look at the financial health and other aspects of the City. The Official Statement provides other provisions which are required to be stated by law such as the installment payments schedule, security, and what certain obligations are by the City and the nonprofit.

City Attorney Holec explained that all of these documents are the result of a long process involving the City staff along with the financial advisor, bond counsel, underwriter, and the Local Government Commission. These are documents that have been developed over several months, and are in “substantial form” and recommended to the City Council.

City Manager Davis stated that one other item to point out is there has to be a maximum amount of interest stated. This is not the City’s intended rate but it requires a maximum at the bottom of page 3 and that would be 6%. This is a figure that will need to be dropped in the latest date possible and that is why it is not in the resolution to the City Council. That would be an absolute maximum for these bonds.

The Director of Financial Services introduced the following resolution, a copy of which had been provided to each Council Member, which was read by title and summarized by the City Manager.

RESOLUTION APPROVING THE SALE BY GREENVILLE  
PROGRESS AND IMPROVEMENT CORPORATION OF  
CERTIFICATES OF PARTICIPATION IN CERTAIN  
INSTALLMENT PAYMENTS TO BE MADE BY THE CITY OF  
GREENVILLE, NORTH CAROLINA, APPROVING A  
PROPOSED INSTALLMENT FINANCING AGREEMENT TO  
FINANCE CERTAIN PUBLIC IMPROVEMENTS,  
APPROVING CERTAIN OTHER DOCUMENTS AND  
ACTIONS RELATING THERETO AND AUTHORIZING  
OTHER OFFICIAL ACTION IN CONNECTION THEREWITH

WHEREAS, the City of Greenville, North Carolina (the “City”) has determined that it is necessary and expedient to finance (i) the construction and equipping of Fire/Rescue Station No. 6 and a training facility, (ii) the construction of an addition to administrative facilities of the City and the renovation of the existing facilities including the Municipal Building and the Greenville Utilities Building, (iii) the construction of an addition to Carver Library and the renovation of the existing facilities and (iv) the development, renovation and expansion of City park facilities

including Red Oak Park, Greenfield Terrace Park and Guy Smith Stadium (collectively, the "Project"); and

WHEREAS, in order to effect such plans to finance the Project, the City and Greenville Progress and Improvement Corporation (the "Corporation") have been negotiating certain financing documents, including an installment financing agreement, to be dated as of October 1, 2004 (the "Installment Financing Agreement"), between the Corporation and the City, and arranging for the negotiated sale of Certificates of Participation in certain Installment Payments (as defined in the Installment Financing Agreement) to be made by the City pursuant to the authority granted to the City under Section 160A-20 of the General Statutes of North Carolina; and

WHEREAS, the City has determined that it is in the best interests of the City that the City and the Corporation enter into said Installment Financing Agreement to make available to the City funds with which to finance the completion of the Project; and

WHEREAS, the City and the Corporation have retained investment bankers for the purpose of underwriting said Certificates of Participation; and

WHEREAS, said Certificates of Participation are expected to be marketed with the expectation of executing a Contract of Purchase with respect thereto on or about September 23, 2004 and delivering said Certificates of Participation on or about October 7, 2004; and

WHEREAS, in connection with such financing, it is necessary for the City to approve the sale of said Certificates of Participation by the Corporation, to approve certain other documents relating thereto and to authorize certain action in connection therewith; and

WHEREAS, there have been presented at this meeting copies of the following documents relating to the delivery of the 2004 Certificates (as hereinafter defined):

(a) a draft of the proposed Contract of Purchase for the 2004 Certificates (the "Purchase Contract"), to be dated on or about September 23, 2004, between the Corporation and Legg Mason Wood Walker, Incorporated, on its own behalf and on behalf of Siebert Brandford Shank & Co., LLC (collectively, the "Underwriters"), relating to the purchase and sale by the Underwriters of the 2004 Certificates;

(b) a draft of the proposed Installment Financing Agreement, pursuant to which the Corporation will make available to the City funds to be derived from the sale of the 2004 Certificates with which to finance the completion of the Project, and the City will be obligated to make Installment Payments (as defined in the Installment Financing Agreement) and certain other payments, among other requirements;

(c) a draft of the proposed Trust Agreement, to be dated as of October 1, 2004 (the "Trust Agreement"), by and between the Corporation and The Bank of New York, as trustee (the "Trustee") and Central Carolina Bank, a Division of National Bank of Commerce, as co-trustee, under which the Trustee will make available to the City the proceeds of Certificates of Participation (City of Greenville Public

Facilities and Equipment Project), Series 2004 evidencing proportionate and undivided ownership interests in the Installment Payments to be made by the City under the Installment Financing Agreement (the "2004 Certificates") to pay the cost of completing the Project;

(d) a draft of the proposed Deed of Trust, to be dated as of October 1, 2004 (the "Deed of Trust"), from the City to a deed of trust trustee for the benefit of the Corporation;

(e) a draft of the Preliminary Official Statement (the "Preliminary Official Statement"), to be dated on or about September 6, 2004, relating to the offering of the 2004 Certificates;

BE IT RESOLVED by the City Council of the City of Greenville, North Carolina:

Section 1. Capitalized words and terms used in this resolution and not defined herein shall have the same meanings in this resolution as such words and terms are given in the Trust Agreement and the Installment Financing Agreement.

Section 2. The City hereby approves the sale of the 2004 Certificates by the Corporation. The 2004 Certificates shall mature in such amounts and at such times and shall bear interest at such rates as shall be determined by the President of the Corporation; provided, however, that the aggregate principal amount of the 2004 Certificates shall not exceed \$16,000,000, the final maturity of the 2004 Certificates shall not extend beyond December 31, 2025, and the true interest cost of the 2004 Certificates shall not exceed six (6%) per annum.

The 2004 Certificates shall be issued in fully registered form in denominations of \$5,000 or any whole multiple thereof. Interest with respect to the 2004 Certificates shall be payable on December 1, 2004 and thereafter semiannually on each June 1 and December 1 until the 2004 Certificates are fully paid. Payments of principal and interest with respect to the 2004 Certificates shall be made by the Trustee to the registered owners of the 2004 Certificates in the manner set forth in the Trust Agreement.

Section 3. The 2004 Certificates shall be subject to prepayment at the times, upon the terms and conditions, and at the prices set forth in the Trust Agreement; provided, however, that no prepayment premium shall exceed 2%.

Section 4. The proceeds of the 2004 Certificates shall be applied as provided in Section 2.07 of the Trust Agreement.

Section 5. The forms, terms and provisions of the Installment Financing Agreement, the Trust Agreement, the Deed of Trust and the Purchase Contract are hereby approved in all respects, and the Mayor, the City Manager, the Director of Financial Services, the Clerk to the City Council and the City Attorney are hereby authorized and directed to execute and deliver the Installment Financing Agreement, the Deed of Trust and the Purchase Contract, in substantially the forms presented to this meeting, together with such changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate, including, but not limited to, changes, modifications and deletions necessary to incorporate the final terms of the

2004 Certificates as shall be set forth in the Purchase Contract; such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the City.

Section 6. The City hereby approves the award of the 2004 Certificates to the Underwriters pursuant to the Purchase Contract, subject, however, to the limitation on true interest cost contained in Section 2.

Section 7. The City hereby authorizes the use and distribution of the Preliminary Official Statement in connection with the public offering of the 2004 Certificates, and the Official Statement, in substantially the form of the Preliminary Official Statement, with such changes as are necessary to reflect the maturities, interest rates, prepayment premiums and initial offering prices of the 2004 Certificates, is hereby approved, and the Mayor, the City Manager or the Director of Financial Services is hereby authorized to execute, on behalf of the City, the Official Statement in substantially such form, together with such changes, modifications and deletions as he, with the advice of counsel, may deem necessary or appropriate; such execution shall be conclusive evidence of the approval thereof by the City. The City hereby also approves and authorizes the distribution and use of copies of the Official Statement, the Trust Agreement, the Installment Financing Agreement, the Deed of Trust and the Purchase Contract by the Underwriters in connection with the sale of the 2004 Certificates.

Section 8. The Mayor, the City Manager, the Director of Financial Services, the City Attorney and the Clerk to the City Council are authorized and directed (without limitation except as may be expressly set forth herein) to take such actions and to execute and deliver such documents, certificates, undertakings, agreements and other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Trust Agreement, the Installment Financing Agreement, the Deed of Trust and the Purchase Contract.

Section 9. This resolution shall take effect immediately upon its passage.

After consideration of the foregoing resolution, Council Member Craft moved the passage thereof, which motion was duly seconded by Council Member Dunn, and the foregoing resolution entitled: "RESOLUTION APPROVING THE SALE BY GREENVILLE PROGRESS AND IMPROVEMENT CORPORATION OF CERTIFICATES OF PARTICIPATION IN CERTAIN INSTALLMENT PAYMENTS TO BE MADE BY THE CITY OF GREENVILLE, NORTH CAROLINA, APPROVING A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE CERTAIN PUBLIC IMPROVEMENTS, APPROVING CERTAIN OTHER DOCUMENTS AND ACTIONS RELATING THERETO AND AUTHORIZING OTHER OFFICIAL ACTION IN CONNECTION THEREWITH" was passed unanimously. (Resolution No. 04-34)

#### Consideration of bid awards

Mr. Tysinger stated that during the last two weeks of July staff opened five bids for capital projects. Those bids were slightly higher than what staff had hoped and even slightly higher than the architects' estimates. The competition between the contractors was very keen. On some of the projects just the selection of the alternates could make a difference on who was the lower



bidder. It was very highly competed. Even though the bids were slightly higher, staff feels that they got the best price that the market will bear in Greenville now. To the addition to the low interest rates, he believes that they have the best numbers that they can get. Mr. Tysinger summarized the projects.

Fire Station #6 and Limited Training Facilities. This project consists of approximately 6,700 square feet of fire rescue station and a new training facility located in the 3200 block of Tenth Street. This station includes two truck bays and houses seven personnel per shift. The floor plan is basically the same plan that was used in Stations #2 and #5 and the elevations look very similar to those stations as well. There were some savings and they are reusing the same plan that has been successful. The station is located on the front half of the site and behind the site; there is a four-story tower with a Burn Building attached. There is a metal building that will be used to store equipment and apparatus. It will also be used as a briefing area for trainees who might be in the field training and it will provide restrooms facilities as well. People who are in the training facility can function and operate without interrupting people and having to go back into the station. The bids were opened on July 15 and on the base low plus all alternates, the low bidder was Hudson Brothers Construction Company with a bid proposal of \$2,732,350. With a series of negotiations, the bid number has been reduced by \$51,237 for a proposed construction cost of \$2,681,113. The recommended project budget is as follows:

#### EXPENDITURES

Design	\$135,000.00
Testing	7,000.00
Construction	2,681,113.00
Construction Contingency (4%)	107,245.00
FF&E	60,000.00
Bond Administration	75,000.00
Total Expenditures	<u>\$3,065,358.00</u>

Mr. Tysinger stated this project is funded through a combination of COPS, previous donations for work on the Old Fire Tower and interest on earnings on the bonds.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Craft to award a construction contract to Hudson Brothers Construction Co. in the amount of \$2,681,113 for construction of Fire/Rescue Station No. 6 and Training Facility and authorize the Mayor to execute a contract on behalf of the City. Motion carried unanimously. (Contract No. 1345)

Municipal Facilities. Mr. Tysinger stated that this project consists of renovation of the first and second floors of the City Hall. The fourth floor will be converted into a mechanical loft. The third floor is being recommended to hold in abeyance because of budget and the amount of the bids for that particular alternate. An addition of an ADA accessible elevator will be directly attached to this building. In addition, there will be renovations of the Greenville Utilities Building. This includes the renovations of the current building on all three floors and an addition of 28,000 square feet, which will house the City Council Chambers and administrative offices. The Planning and Community Development Department, along with the Inspections Division, will be located at City Hall. Bids for this project were received on July 29. The low bidder was

Hudson Brothers Construction Co., a single prime contractor, in the amount of \$8,393,700. Negotiations with the lower bidder has resulted in the amount of \$190,755 reduction in their bid for a total bid of \$8,202,945. There was one technical issue associated with this bid and that was that Mechworks Mechanical had a clerical error on their bid. They wrote \$86,000 and meant \$865,000. The Staff recommends to relieve Mechworks Mechanical's bidding obligations, the release of their bid bond, and that they be allowed to work with the low bidder in providing labor materials for this project. The budget for this project is outlined as follows:

#### EXPENDITURES

Design	\$570,000.00
Testing/Abatement	500,000.00
Construction	8,202,945.00
Const. Contingency (5.8%)	475,000.00
Technology	550,526.00
Furnishings	600,471.00
Bond Admin.	<u>250,000.00</u>
Total Expenditures	\$11,148,942.00

Mr. Tysinger stated that the total amount for this project is \$11,148,942 all of which will come from the COPS financing.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Dunn to allow withdrawal of the bid from Mechworks Mechanical in the amount of \$86,000 without forfeiture of their Bid Bond and permit them to provide labor and materials to the firm awarded the contract for this project and to award a construction contract to Hudson Brothers Construction Co. in the amount of \$8,202,945 for construction of the Administrative Facilities Expansion/Renovation Project and authorize the Mayor to execute a contract on behalf of the City. Motion carried unanimously. (Contract No. 1346)

Questions asked of City Manager Davis and responses given were as follows:

When these bonds are done, does the City have to draw that money down at any time and what is the schedule for that?

(RESPONSE: The answer is yes. The bonds will be used over a 24-30 month period. When one uses bonds there is something called positive arbitrage meaning that we don't have it these days and we had in years past. That you issue bonds at an interest rate lower than you could earn in the bank. If so, there are penalties that IRS has for the use of these bonds proceeds in this way. They have to file reports with our Local Government Commission and also our trustee as to how these bonds are used. They will be watching us to be sure that these projects stepped through the cycle that we have planned for them.)

Are there projected completion dates for these projects?

(RESPONSE: The City will draw down and there are safeguards that the project is not dragged out. There are many people looking over the City's back including the Local Government Commission, the trustee, and the underwriters. Would there be a specific penalty if the project dragged out to three years? That is a what if question and it depends upon the circumstances.)

Mr. Tysinger responded that the Administrative Facilities is the longest-term project and the expected completion date is approximately 24 months.

Mayor Pro-Tem Miller responded it is his understanding that if they sell the bonds, they get the cash and deposit it in an interest bearing account, they are going to pay interest, and they would make the money on the spread until such time as the contractor's pay request comes in. The contract exceeds those times and as with all government contractors, there is a liquidated damages clause. Not only will they be making money on the margin, they will reap the liquidated damages clause from the contractor that will extend the construction interest period. It is typical commercial construction financing, which is always in the favor of the owner and not the contractors.

Are you saying that if you took the money, you will be paying more interest, which will be determined at the time that you borrow the money? Are you saying that before you spend it on construction, you put the money in the bank and you would be drawing more interest than what you are paying and the IRS would be notified?

(RESPONSE: Using even numbers, just as you have certificates of deposits at the bank, you know, the interest rate earnings on those are very low these days, 1%, 1 ½%. We have to borrow money and an interest rate would be 5%. The 1 ½% is not greater than the 5%. We would not have to pay that back. It is only if you get into a positive arbitrage before you have to pay it back and work within certain timeframes.)

When will the contractors start the project?

(RESPONSE: The contractor would want to start as soon as possible. They would start on the new addition. Then Greenville Utilities would be projected to move into their building in December or January. At that time, the old Greenville Utilities building would be available to the contractor.

How will the buildings connect?

(RESPONSE: Greenville Utilities Commission is moving and has purchased the old Wachovia Building and they will co-locate with Wachovia on the first floor and GUC will move their offices there in December or January. There will be a new addition to the west side of the existing GUC building. It will have an atrium connection between the new addition and the old GUC building. That is where the public will come up to the Council meetings room on the third floor and the public meeting room. They will function as one unified building. In the City Hall building, after the GUC building is renovated and the addition is made, people from City Hall will move over there. This building will become vacant and it will be renovated. The Planning and Community Development Department will move out of the leased facility at the Bank of America building and move to City Hall. There will be lines of site through the architectural construction that tie the buildings together as well as crosswalk improvements between City Hall and the new GUC building and the old Wachovia building. It will all work as a campus-like environment, which would include our Police/Fire Rescue Headquarters Building. That was the original intention in 1990 when a campus master plan was undertaken so that these buildings work together and that people could get the service they needed in close proximity to each other.)

Carver Library Expansion. Mr. Tysinger stated this project includes renovation of the existing 4,200 square foot library and an expansion of another 4,200 square feet for a total of 8,400 square feet. The completed facility will have a new brick, glass and pre-cast façade and a new adjacent parking lot. In that area, three of the duplexes purchased by the City have recently been demolished in preparation of this project.

Upon being asked if this is doubling the size of the existing Carver Library, Mr. Tysinger responded it is almost exactly doubling the size.

Mr. Tysinger stated that Mr. Willie Nelms, Director of the Sheppard Memorial Library, has stated that there will be 25 new computers at Carver Library. Inside the building, there will be a separate children's area, a separate adults' reading area, and space for the 25 computers. There will be a program room that can be used aside from the Library. There will be a similar setup on this project like the one at Sheppard Memorial Library where people can gain access to the Library for meetings even when it is closed. Bids for the project were received on July 22. Eastern Construction Company of Greenville was the low bidder with a bid of 1,012,000. Staff has been in negotiations with the lower bidder and saving \$70,794 bringing the total construction cost to \$941,206. The following is the recommended budget:

#### EXPENDITURES

Design	\$78,500.00
Testing & Surveying	5,000.00
Construction	941,206.00
Construction Contingency (3%)	28,236.00
FF&E	66,758.00
Bond Admin.	<u>75,000.00</u>
Total Expenditures	\$1,194,700.00

Mr. Tysinger stated the project would be funded through the COPS financing.

Motion was made by Mayor Pro-Tem Miller and seconded by Council Member Council to award a construction contract to Eastern Construction Co. of Greenville in the amount of \$941,206 for construction of the Carver Library Expansion/Renovation Project and authorize the Mayor to execute a contract on behalf of the City. Motion carried unanimously. (Contract No. 1348)

Recreational Facilities of Red Oak, Guy Smith Stadium, and Greenfield Terrace. Mr. Tysinger stated that the last projects are ones for the park development projects. These projects are being funded through \$1,175,000 of COPS and an additional \$250,000 from a Parks & Recreation Trust Fund (PARTF) Grant for a total of \$1,425,000. The following is a list of all of the smaller projects that the Recreation and Parks Department is undertaking associated with this. Of those are two projects in particular that needs the Council's direct action. The first one is Greenfield Terrace Park Community Building and the second one is Guy Smith Parking Lot Improvements. In regard to Greenfield Terrace Park, currently, there is already a picnic shelter already located at the park. The new building will have a gravel drive and parking facility with paved ADA accessible parking. The building consists of about 3,000 square feet with a 1,000 square foot

open area or porch that is directly attached to the building. It is a pre-engineered structure with a brick façade. As it is connected to the porch area, doors can be opened on that side to where the inside of the building and the outside becomes one. It does have a warming kitchen inside and restroom facility. The bids were received for this project on July 14 for the community building. Hudson Brothers Construction Co., Inc. was the low bidder at \$347,700. The recommended budget for the Greenfield Terrace Park Community Building Project is as follows:

#### EXPENDITURES

Design	\$30,000.00
Testing	3,000.00
Construction	347,700.00
Construction Contingency (3%)	10,431.00
FF&E	<u>8,000.00</u>
Total Expenditures	\$399,131.00

Mr. Tysinger stated that the Guy Smith Parking Lot Improvements Project is to pave, stripe and landscape the existing gravel parking lot in front of the stadium on Moye/Hooker. There is also another parking lot that will be constructed. This is currently a gravel lot and it comes off of Myrtle beside the swimming pool. That one will be paved and there will be other amenities added to that as well. Bids for this project were received on July 22. Greenville Paving Co. was the low bidder at \$206,712. It will be about 180 spaces between those two parking lots. The recommended budget for the Guy Smith Parking Lot Improvements Project is:

#### EXPENDITURES

Design	\$22,270.00
Testing	2,000.00
Construction	206,712.00
Construction Contingency (3%)	6,201.00
Landscaping	<u>5,000.00</u>
Total Expenditure	\$242,183.00

Mr. Tysinger stated that City staff would plant the landscaping for this project. Revenues for this project are the PARTF Grant of 121,091.50 and COPS in the amount of \$121,091.50.

Motion was made by Council Member Craft and seconded by Mayor Pro-Tem Miller to award a construction contract to Hudson Brothers Construction Co., Inc. in the amount of \$347,700 for construction of the Greenfield Park Community Building Project and to Greenville Paving Company in the amount of \$206,712 for construction of the Guy Smith Parking Lot Improvements Project and authorize the Mayor to execute contracts on behalf of the City. Motion carried unanimously. (Contract Nos. 1348 and 1349)

Upon being asked about the bid for the Red Oak Project, City Manager Davis responded that it is not a formal bid. The informal bids amount that has been received is included in the City Council's agenda information. The City Council is not required to award it. The Staff has included all bids that were received not only for Red Oak but for the other things as well.

Upon being asked about whether the Hudson Brothers Construction Co., Inc. is covering their minority participation goals and whether Staff is monitoring that whole process, City Manager Davis responded yes. As part of the City Council's MWBE program, whenever the City has a contract job for bid there are requirements that the contractor has to affirmatively meet for part of that bidding and the Hudson Brothers Construction Co. has been meeting those.

Mayor Pro-Tem Miller expressed that he is happy to see that all the contracts for design professionals, architects, engineers, etc. that were awarded tonight were for Greenville-based firms.

Council Member Glover agreed and requested information on the percentage of minority employees hired by Hudson Brothers.

#### Consideration of capital projects budget ordinances for COPS facilities

Motion was made by Council Member Little and seconded by Council Member Glover to adopt the ordinances amending and establishing the capital project budgets for the 2004 Certificates of Participation projects including 1) Municipal/Administrative Facilities Capital Project Budget Ordinance Amendment 2) Fire/Rescue Station 6, Recreation & Parks Expansions, and Carver Library Branch Expansion Capital Project Budget Ordinance. Motion carried unanimously. (Ordinance Nos. 04-84 and 04-85)

#### Update on credit reviews by Moody's and Standard & Poor's

City Manager Davis stated that any bonds that the City issues are interviewed by independent credit agencies and they are Standard & Poor's and Moody's. The credit rating that they give the City affects the interest rates that the City will pay on bonds. The City of Greenville has had good financial stewardship and a good credit rating. Standard & Poor's and Moody's will be coming to the City Greenville to have a site visit next week and will be meeting with them to talk about the projects, but most importantly to talk about ways for pay back, financial management of the City, overall management of the City, and the way that the City will meet needs in the future. They will not be looking at just the projects, but the overall environment and the overall system that is being planned for the future. Standard & Poor's has the City as an AA- and Moody's has the City as an Aa3. The staff is really hoping to improve the City's credit rating and move it up a notch. The City is in the top tier now. Director of Financial Services Bernita Demery and financial advisors and others including City Attorney Dave Holec, Deputy City Manager Bill Richardson and himself will be working to have materials that they will review and they will know this immediately after the credit agencies' visit. Staff will know toward the end of August or the first of September. They are optimistic for an upgrade and they have good financial management so the City's rating should be good.

Upon being asked what is the best rating for these days and whether the City ever had that before, City Manager Davis responded an AAA rating and the City has never had that rating. There are very few municipalities in the country at all that have an AAA rating. North Carolina municipalities have some of the highest ratings of credit of any municipalities in the United States. That is largely due to their financing laws, the Local Government Commission and the

good financial practices that they have embedded in the state. Greenville is rated a good credit among the cities of North Carolina.

City Manager Davis stated that groundbreaking needs to be done for all the projects that Council has now approved. In addition, they will celebrate the successes that the City Council has caused to occur through these projects and letting people know will be coming down the road through the good actions that Council has taken. This is a momentous time in the City when these projects have been approved and it will be a marker day for the history of the City.

#### PRESENTATION OF GROWTH TRENDS/IMPACT IN THE FROG LEVEL ROAD AND DAVENPORT FARM ROAD AREA

City Manager Davis informed the City Council that Merrill Flood has been appointed as Director of Planning and Community Development, replacing Andy Harris, who retired. Mr. Flood has been with the City for many years in different capacities, the most recent being the Deputy Director of Planning and Community Development.

Mr. Merrill Flood, Director of Planning and Community Development, informed the Council that there has been much rezoning activity in the Frog Level Road and Davenport Farm Road area. In order for the Council to look at the larger picture of the development activity that has occurred in this area and the capacity for potential development activity in this area in the future, he stated that he would like to present the Council with some information. This area is part of Vision Area A, which is located south of Greenville Boulevard and Dickinson Avenue Extension, north of Forlines Road, west of Memorial Drive and east of the western extent of the City's jurisdictional boundary in the vicinity of Frog Level Road. As part of a sanitary sewer outfall extension project, in 1998 the City, in cooperation with Pitt County, extended the City's extraterritorial jurisdiction boundary to the present limit. This 2.25 square mile expansion area, at its greatest dimension, extended the City's planning, zoning and regulatory authority approximately 1.5 miles to areas beyond Frog Level Road. This new extraterritorial jurisdiction area, which shares a concomitant southern boundary with the Town of Winterville, has experienced a high level of zoning, development and annexation activity in the past several years due to the availability of municipal, county and GUCO services and facilities. The new South Central High School is a major feature in the area, and that and the availability of sanitary sewer service has been a contributing factor in public and private development decisions. This outlying building activity has also accelerated development in the interior extraterritorial jurisdiction area immediately west of Memorial Drive. Expansions to already existing subdivisions, as well as new single-family and multi-family developments in conjunction with construction of new office and retail establishments have established this interior area as a major growth area. The area currently contains 2,249 residential units/lots categorized as existing development and 1,732 residential units/lots categorized as preliminary/final or sketch plan approvals. These two categories together contain 3,981 known or shortly anticipated dwellings. Build-out of the second category of 1732 units is eminent and should occur prior to 2010. Although a significant amount of growth has taken place to date, significant acreage remains undeveloped farmland or woodlands. Vacant lands susceptible to residential development comprise approximately 900 acres that, at full development, will yield upwards of 4,000 additional dwelling units. Total build-out for all vacant lands would be estimated at 20+ years. Estimates of future build-out are based on existing zoning patterns and anticipated future rezoning of existing RA20 district

properties as recommended by the Horizons Plan and Future Land Use Plan Map. The projected densities for future development areas are based on current and historical residential trends and continued application of current regulatory standards. Adjoining land uses patterns, environmental constraints, and existing and future transportation systems and land dedications have also been considered in the estimation of future development density. Staff estimates that the 4.1 square mile study area would, in the future, contain approximately 8,000 total dwellings with a resident population of up to 20,000 persons as 2.5 persons per dwelling unit.

Upon being asked if consideration had been given to long-range issues such as parks, police, Fire/Rescue, etc., Mr. Flood responded that there is no city land in the area for parks. He plans to work with other departments to define the needs.

Council was encouraged to look at city facilities such as Fire/Rescue, Police, and parks in the area.

Mr. Flood stated that there are funds set aside for Fire/Rescue Station #7. There are also other things that need to be considered.

**RESOLUTIONS MAKING CERTAIN FINDINGS AND CALLING FOR A PUBIC HEARING FOR GENERAL OBLIGATION BONDS - ADOPTED**

The Director of Financial Services introduced the following resolution, which was read by title and summarized by the City Manager:

**RESOLUTION MAKING CERTAIN FINDINGS RELATING TO THE AUTHORIZATION AND ISSUANCE OF GENERAL OBLIGATION BONDS OF THE CITY OF GREENVILLE, NORTH CAROLINA, AND RATIFYING ACTIONS OF DIRECTOR OF FINANCIAL SERVICES IN FILING APPLICATION FOR APPROVAL THEREOF WITH LOCAL GOVERNMENT COMMISSION AND RELATED MATTERS**

WHEREAS, the City Council of the City of Greenville, North Carolina (the "City") is considering the authorization of not exceeding \$5,700,000 Street Improvement Bonds, \$5,000,000 West Greenville Revitalization Bonds, \$5,000,000 Center City Revitalization Bonds and \$5,100,000 Stormwater Drainage Bonds of the City (collectively, the "Bonds") for the purpose of financing needed public improvements; now, therefore,

**BE IT DETERMINED AND RESOLVED** by the City Council of the City of Greenville:

Section 1. The City Council hereby finds and determines, in connection with authorizing the issuance of the Bonds, that (a) the issuance of the Bonds is necessary or expedient for the City, (b) the proposed principal amount of the Bonds is adequate and not excessive for the proposed purposes of such Bonds, (c) the City's debt management procedures and policies are good and are managed in strict compliance with law, (d) no increase in taxes is necessary to service the Bonds and (e) under current economic conditions, the Bonds can be marketed at reasonable rates of interest.



Section 2. The actions of the Director of Financial Services in (i) filing an application for approval of the Bonds with the Local Government Commission of North Carolina (the "LGC") and (ii) retaining Sidley Austin Brown & Wood LLP as Bond Counsel and Davenport & Company LLC and Jackson Securities as co-financial advisors are hereby ratified and confirmed, and the LGC is hereby requested to approve such financing team.

Section 3. This resolution shall take effect immediately upon its passage.

Upon motion of Mayor Pro-Tem Miller, seconded by Council Member Council, the foregoing resolution entitled:

"RESOLUTION MAKING CERTAIN FINDINGS RELATING TO THE  
AUTHORIZATION AND ISSUANCE OF GENERAL OBLIGATION BONDS  
OF THE CITY OF GREENVILLE, NORTH CAROLINA, AND RATIFYING  
ACTIONS OF DIRECTOR OF FINANCIAL SERVICES IN FILING  
APPLICATION FOR APPROVAL THEREOF WITH LOCAL GOVERNMENT  
COMMISSION AND RELATED MATTERS"

was passed unanimously.

Thereupon the Director of Financial Services introduced the following orders authorizing bonds, each of which was read by title and summarized by the City Manager:

ORDER AUTHORIZING \$5,700,000  
STREET IMPROVEMENT BONDS

BE IT ORDERED by the City Council of the City of Greenville:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Greenville, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue Street Improvement Bonds in an aggregate principal amount not exceeding \$5,700,000 for the purpose of providing funds, together with any other available funds, for constructing, reconstructing, widening, extending, resurfacing and improving thoroughfares, streets, roads and grade separations including traffic controls and lighting, and acquiring any necessary rights of way therefor.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

ORDER AUTHORIZING \$5,000,000  
WEST GREENVILLE REVITALIZATION BONDS

BE IT ORDERED by the City Council of the City of Greenville:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Greenville, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue West Greenville Revitalization Bonds in an aggregate principal amount not exceeding \$5,000,000 for the purpose of providing funds, together with any other available funds, for acquiring and improving land in the West Greenville 45 Block revitalization area and other revitalization areas within the City, including the acquisition, demolition, rehabilitation and construction of housing facilities and other structures, streets, sidewalks and public utilities; and authorizing the provision of loans, grants and other programs of financial assistance to persons of low or moderate income and small businesses in such areas.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

ORDER AUTHORIZING \$5,000,000  
CENTER CITY REVITALIZATION BONDS

BE IT ORDERED by the City Council of the City of Greenville:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Greenville, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue Center City Revitalization Bonds in an aggregate principal amount not exceeding \$5,000,000 for the purpose of providing funds, together with any other available funds, for acquiring and improving land in the Center City revitalization area including downtown and other revitalization areas within the City, including the acquisition, demolition, rehabilitation and construction of structures, housing facilities, streets, sidewalks and public utilities; and authorizing the provision of loans, grants and other programs of financial assistance to persons of low or moderate income and small businesses in such areas.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

**ORDER AUTHORIZING \$5,100,000  
STORMWATER DRAINAGE BONDS**

BE IT ORDERED by the City Council of the City of Greenville:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Greenville, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue Stormwater Drainage Bonds in an aggregate principal amount not exceeding \$5,100,000 for the purpose of providing funds, together with any other available funds, for improving the stormwater drainage system of the City, including the construction and replacement of storm sewers, drains, catch basins, pipes and other facilities for stormwater drainage and related natural channel improvements.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

The City Manager asked if there were any questions concerning the Orders. Council Member Glover stated that she would like for the West Greenville Revitalization Bond Order to be amended to ensure that the proceeds may only be used in the West Greenville area.

Mayor Pro-Tem Miller made a motion, seconded by Council Member Glover that the Order Authorizing \$5,000,000 West Greenville Revitalization Funds be amended so that in Section 1 of the Order that rather than reading "and other revitalization areas within the City" that it read "and other revitalization areas within the West Greenville area of the City". The motion unanimously carried. The following order was then introduced, read by title and summarized.

**ORDER AUTHORIZING \$5,000,000  
WEST GREENVILLE REVITALIZATION BONDS**

BE IT ORDERED by the City Council of the City of Greenville:

1. That, pursuant to The Local Government Bond Act, as amended, the City of Greenville, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power or authority to contract, and in evidence thereof to issue West Greenville Revitalization Bonds in an aggregate principal amount not exceeding \$5,000,000 for the purpose of providing funds, together with any other available

funds, for acquiring and improving land in the West Greenville 45 Block revitalization area and other revitalization areas within the West Greenville area of the City, including the acquisition, demolition, rehabilitation and construction of housing facilities and other structures, streets, sidewalks and public utilities; and authorizing the provision of loans, grants and other programs of financial assistance to persons of low or moderate income and small businesses in such areas.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of the debt of said City has been filed with the City Clerk and is open to public inspection.

4. That this order shall take effect when approved by the voters of said City at a referendum as provided in said Act.

The City Council thereupon designated the Director of Financial Services as the officer whose duty it shall be to make and file with the City Clerk the sworn statement of debt of the City which is required by The Local Government Bond Act, as amended, to be filed after bond orders have been introduced and before the public hearing thereon.

Thereupon the Director of Financial Services filed with the City Clerk, in the presence of the City Council, the sworn statement of debt as so required.

Thereupon the Director of Financial Services introduced the following resolution, which was read by title and summarized by the City Manager:

RESOLUTION CALLING A PUBLIC HEARING UPON  
ORDERS AUTHORIZING NOT EXCEEDING \$5,700,000  
STREET IMPROVEMENT BONDS, \$5,000,000 WEST  
GREENVILLE REVITALIZATION BONDS, \$5,000,000  
CENTER CITY REVITALIZATION BONDS AND \$5,100,000  
STORMWATER DRAINAGE BONDS OF THE CITY OF  
GREENVILLE, NORTH CAROLINA

WHEREAS, there have been introduced before the City Council of the City of Greenville, North Carolina (the "City") orders authorizing not exceeding \$5,700,000 Street Improvement Bonds, \$5,000,000 West Greenville Revitalization Bonds, \$5,000,000 Center City Revitalization Bonds and \$5,100,000 Stormwater Drainage Bonds of the City for the purpose of financing needed public improvements; and

WHEREAS, The Local Government Bond Act, as amended, requires that the City Council conduct a public hearing upon such orders prior to their adoption; now, therefore,

BE IT RESOLVED by the City Council of the City of Greenville, North Carolina:

Section 1. A public hearing is hereby called for 6:00 P.M., on August 23, 2004, in the Council Chambers of the Municipal Building, 201 Martin Luther King, Jr. Drive, Greenville,

North Carolina, at which time the City Council will hear anyone who may wish to be heard on the questions of the validity of the orders authorizing or the advisability of the City's issuing not exceeding \$5,700,000 Street Improvement Bonds, \$5,000,000 West Greenville Revitalization Bonds, \$5,000,000 Center City Revitalization Bonds and \$5,100,000 Stormwater Drainage Bonds of the City of Greenville or the advisability of issuing said bonds.

Section 2. The City Clerk is hereby directed to publish each of said orders, together with the appended statement as required by The Local Government Bond Act, as amended, once in The Daily Reflector not later than the sixth day before the date of said public hearing.

Section 3. This resolution shall take effect immediately upon its passage.

Thereupon, upon motion of Mayor Pro-Tem Miller, seconded by Council Member Council, the foregoing resolution, entitled:

“RESOLUTION CALLING A PUBLIC HEARING UPON  
ORDERS AUTHORIZING NOT EXCEEDING \$5,700,000  
STREET IMPROVEMENT BONDS, \$5,000,000 WEST  
GREENVILLE REVITALIZATION BONDS, \$5,000,000  
CENTER CITY REVITALIZATION BONDS AND \$5,100,000  
STORMWATER DRAINAGE BONDS OF THE CITY OF  
GREENVILLE, NORTH CAROLINA”

was unanimously passed.

#### REVIEW OF AUGUST 12, 2004 CITY COUNCIL AGENDA

The Council did a cursory review of the items on the August 12, 2004 City Council agenda and reviewed the appointments to Boards and Commissions.

Mr. Harry Hamilton, Senior Planner, was asked to summarize the four options for the nonconforming sports ramps, which he did. The discussion went as follows:

Mr. Harry Hamilton, Chief Planner, explained the following Option Comparison Chart to the City Council:

Option Comparison Chart

<u>Option</u>	<u>Area/Size</u>	<u>Height</u>	<u>Removal</u>
1	150 sq. ft.	10 ft.	1 year
2	1,000 sq. ft.	15/10 ft.*	5 years
3	500 sq. ft.	10 ft.	1 year
4	750 sq. ft.	12 ft.	2-½ year

\*See Option 2 summary text noted above

Mr. Hamilton explained that Option 1, staff's original proposal, would allow a 150 square foot total elevated riding surface, 10 foot height, and a 1 year removal. Option 2, the bike riders' proposal would allow for a 1,000 square foot riding surface, a 15 and 10 foot height requirement, 15 foot to the highest point including railings and the distance between the flat bottom area that would be elevated no more than 20 inches above grade to the highest point of the riding surface, no more than 10 feet in height, and a 5 year removal requirement. The Tuckahoe Neighborhood Representatives have recommended Option 3, which would allow for a 500 square foot total elevated riding surface, 10 foot in height from any flat bottom area that is elevated more than 6 inches above grade to the highest point including railings, and a 1 year removal requirement. The Planning and Zoning Commission recommended Option 4, which allows for a 750 square foot riding surface, 12 foot in height, and a 2-½ year amortization.

Mr. Hamilton informed the Council that the Tuckahoe representatives do not represent the views of all the residents within the Tuckahoe neighborhood and that some of the residents in the Tuckahoe neighborhood are still in support of the original 150 square foot requirement.

Questions asked and responses given were as follows:

Council Member Dunn asked what could be done with each of the options if she had a bike or a skateboard.

(RESPONSE: There are two different types of elevated riding surfaces. There would be riding surfaces not only for bicycles but also for skateboards, skates, inline skates and so forth. The rules would only apply to ramps that are located in residential areas. The rules do not apply to commercial, recreation, indoors recreation or recreational facilities at public parks, which could be of much larger sizes. The ramp in the Tuckahoe Subdivision is a very large structure with an elevated riding surface just over 2,000 square feet. This is the largest ramp in Greenville's jurisdiction. There are only six or eight known ramps of this size in the Greenville area. All other ramps of that size are located in Simpson or out in the County. Mr. Hamilton explained that the smaller 150 square foot size ramp is generally referred to as a jump box and that these types of small ramps can be purchased and do not have to be built from building material. There is a major difference in the two sizes.)

Are the larger ramps located outside the Greenville city limits are on considerably larger lots than the lot in Tuckahoe?

(RESPONSE: There was only one ramp that he had actually been to in the county and that ramp was in an area that had a septic system, which required a larger lot.)

Have there been any discussions regarding the size of the riding surface area in proportion with the size of the lot?

(RESPONSE: When the Planning and Zoning Commission began discussing larger riding surfaces, there was discussion regarding the size of the surface area in proportion with the size of the lot and a survey was completed. Chapel Hill is the only City that has a minimum lot size requirement for a ramp, and a 5-acre minimum lot size is required with a 100-foot setback, and total screening so that the ramp cannot be seen from any property lines.)

Were there any discussions at the Planning and Zoning Commission meetings as to the appropriateness of this type of structure in a residential neighborhood regardless of the size?

(RESPONSE: There were residents from the Tuckahoe neighborhood and public who spoke directly to the issue regarding appropriateness and some of the Planning Board members did have concerns. It is staff's opinion that a large ramp would not be appropriate, and that the primary purpose of the residential areas is for residential occupancy. There is a competing interest between recreational interest, compatibility and neighborhood character. The accessory and incidental nature that is required of accessory buildings is paramount, and in staff's opinion the ramp size should be extremely minor in comparison to the house. A 2,000 or 1,000 square foot ramp in comparison to a home is a substantial feature on the property.)

Does the City own two ramp facilities that operated at Jaycee Park and Boyd Lee Park?

(RESPONSE: There were sports ramps at Jaycee Park, but Mr. Hamilton was uncertain about Boyd Lee Park. Council Member Glover stated that there is also a ramp on Dickinson Avenue inside a building, but that the property is within a commercial area and that would make a difference.)

What about the information sent in Notes to Council regarding the sports ramp?

(RESPONSE: City Attorney Holec stated that he had sent City Council members a memo on the factors to consider with amortization. Amortization is a phase out of any use that is nonconforming and is a legal method for Council to require as long as the period for the phase out is a reasonable period of time. No compensation would be due to the citizen if Council requires a phase out. It is up to City Council as to what is appropriate and Council members should consider the burden that is placed on persons who are being required to remove versus the impact that the type of use has on the surrounding neighbors.)

Is there an example of a previous amortization in the City?

(RESPONSE: An amortization of 66 months is in place for outdoor advertising signs. Also, the City required a 2-year phase out for a livestock facility that was north of Greenfield Terrace.

#### COMMENTS FROM MAYOR AND CITY COUNCIL MEMBERS

Council Member Dunn stated that other cities lease flooded property for sports ramps. She would like to see Greenville look into this.

Council Member Council stated that a Greenville delegation is going to attend the North Carolina League of Municipalities Board meeting on August 12 regarding having the 2010 Annual Conference in Greenville.

Mayor Pro-Tem Miller welcomed the new Chief of Fire/Rescue Chief Burton.

Council Member Glover stated that the Police Community Relations Committee will meet on August 11 at the DuBois Center.

Council Member Glover stated that the City needs to look at having Zero Tolerance in the West Greenville as it does in the Tar River Neighborhood. The codes need to be enforced in West Greenville.

CITY MANAGER'S REPORT

City Manager Davis stated that he is part of the delegation that will be going to the North Carolina League of Municipalities Board meeting on August 12. He stated that having the Annual Conference in Greenville would be an inducement for other groups to come to Greenville.

City Manager Davis asked the Council to welcome the new Fire/Rescue Chief, Michael Burton.

City Manager Davis stated that because Labor Day is on September 6, no meeting has been scheduled for that day.

ADJOURN

Motion was made by Council Member Glover and seconded by Council Member Dunn to adjourn the meeting at 8:50 p.m. Motion carried unanimously.

Respectfully submitted,

Wanda T. Elks, CMC  
City Clerk